



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Set Public Hearing for June 6, 2007, to Consider Adopting Resolution Adjusting CPI-Based Water and Wastewater Rates

MEETING DATE: May 2, 2007

PREPARED BY: Public Works Director

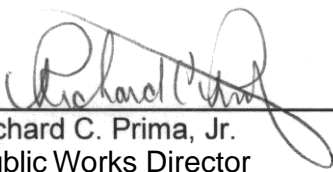
RECOMMENDED ACTION: Set a public hearing for June 6, 2007, to consider adopting a resolution adjusting CPI-based water and wastewater rates.

BACKGROUND INFORMATION: In the spring of 2004, subsequent to City-wide notification, the City Council approved rate increases for water and wastewater services. The public notification and resolution passed at that time included provisions for future rate adjustments based on the Consumer Price Index (CPI).

Resolution No. 2004-77 states that the index to be used shall be the San Francisco-Oakland-San Jose CPI for all items (unadjusted), and the rate increase shall not exceed the percentage change in the CPI index since the previous adjustment. The price index for December 2005 was 203.4 and 210.4 for December 2006, which translates to an increase of 3.44%. The rate increase (as shown on the attached tables) is on all water and wastewater service charges, except for the PCE/TCE charges under water service. The increase amount for a 3-bedroom home is \$0.94 for water and \$0.90 for wastewater. The effective date of the increase is July 1, 2007. (The PCE/TCE rate analysis included a cost inflation allowance in establishing those increases with the three-step increase.)

FISCAL IMPACT: There would be an increase in the annual water and wastewater fund revenue, which is needed to help keep up with cost of service increases and new mandated costs.

FUNDING AVAILABLE: Not applicable


Richard C. Prima, Jr.
Public Works Director

Prepared by Rebecca Areida, Management Analyst

RCP/RA/pmf

Attachments

cc: Steve Mann, Information Systems Manager
Charles Swimley, Water Services Manager

APPROVED: 
Blair King, City Manager

City of Lodi Water Utility
Proposed Water Rates

Single-Family Residential	Current Rates				Rates Effective 7/1/2007			
	Base	Infr.	PCE/TCE	Monthly Total	Base	Infr.	PCE/TCE (3rd step)	Monthly Total
1 BR - House	\$13.94	\$5.07	\$4.86	\$23.87	\$14.42	\$5.24	\$7.29	\$26.95
2 BR - House	16.73	6.09	5.84	28.66	17.31	6.30	8.76	32.37
3 BR - House	20.06	7.29	7.00	34.35	20.75	7.54	10.50	38.79
4 BR - House	24.1	8.77	8.41	41.28	24.93	9.07	12.61	46.61
5 BR - House	28.91	10.52	10.09	49.52	29.90	10.88	15.13	55.91
6 BR - House	34.69	12.62	12.10	59.41	35.88	13.05	18.16	67.09
7 BR - House	41.62	15.14	14.52	71.28	43.05	15.66	21.78	80.49
Multi-Family Residential								
1 BR - APT	\$11.96	\$4.35	\$4.17	\$20.48	\$12.37	\$4.50	\$6.26	\$23.13
2 BR - APT	14.34	5.22	5.00	24.56	14.83	5.40	7.51	27.74
3 BR - APT (1)	17.21	6.26	6.00	29.47	17.80	6.48	9.01	33.29
Flat Rate Commercial/Industrial Customers - Varies, Increase all by 3.44% except PCE/TCE surcharge								
Metered Rate (2)	Base	Infr. \$/ccf	PCE/TCE	Total	Base	Infr. \$/ccf	PCE/TCE	Total
Commodity Charge per 100 cu. Ft.	\$0.500	\$0.238		\$0.738	\$0.517	\$0.243		\$0.760
monthly charge								
Comm. 5/8"	\$14.63		\$6.37	\$21.00	\$15.13		\$9.56	\$24.69
Comm. .75"	16.08		7.00	23.08	16.63		10.50	27.13
Comm. 1"	24.11		10.51	34.62	24.94		15.76	40.70
Comm. 1.5"	32.14		14.00	46.14	33.25		21.01	54.26
Comm. 2"	40.19		17.51	57.70	41.57		26.27	67.84
Comm. 3"	56.27		24.51	80.78	58.21		36.77	94.98
Comm. 4"	72.34		31.52	103.86	74.83		47.28	122.11
Comm. 6"	104.50		45.53	150.03	108.09		68.30	176.39
Comm. 8"	136.67		59.50	196.17	141.37		89.25	230.62
Comm. 10"	168.83		73.50	242.33	174.64		110.25	284.89
Construction Water Charges per 100 cu. Ft.	\$0.738				\$0.763			

(1) plus 20% for each additional bedroom

(2) Monthly total for metered commercial customers depends on amount of water used

(3) Established City Utility Discounts apply to above rates

City of Lodi Wastewater Utility
Proposed Wastewater Rates

	Current Rates			Rates Effective 7/1/2007		
	Base	Infr.	Monthly Total	Base	Infr.	Monthly Total
Residential						
1 BR	\$11.02	\$4.47	\$15.49	\$11.40	\$4.63	\$16.03
2 BR	14.69	5.96	20.65	15.20	6.17	21.37
3 BR	18.36	7.45	25.81	19.00	7.71	26.71
4 BR	22.04	8.94	30.98	22.80	9.26	32.06
5 BR	25.71	10.43	36.14	26.60	10.80	37.40
6 BR	29.38	11.92	41.30	30.40	12.34	42.74
7 BR	33.05	13.41	46.46	34.20	13.88	48.08

Moderate Strength (annual per SSU)	\$247.80	\$256.33
High Strength User:		
Flow (per MG, annual basis)	2,092.01	2,164.00
BOD (per 1,000 lbs., annual basis)	345.24	357.12
SS (per 1,000 lb., annual basis)	215.86	223.29
Grease Inceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	182.80	189.09
Septic (only) Holding Tank Waste Outside City limits (per 1,000 gal.)	388.06	401.41
Disposal to Storm Drain System (per MG)	192.00	198.61
Disposal to Industrial System:		
Flow (per MG, annual basis)	1,309.48	n/a rates adusted annually per
BOD (per 1,000 lbs., annual basis)	22.82	LMC § 13.12.210
Winery Waste (per 1,000 gal.)	185.10	191.47

(1) Established City Utility Discounts apply to above rates



***Please immediately confirm receipt
of this fax by calling 333-6702***

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

**SUBJECT: PUBLIC HEARING TO CONSIDER ADOPTING RESOLUTION
ADJUSTING CONSUMER PRICE INDEX-BASED WATER AND
WASTEWATER RATES**

PUBLISH DATE: SATURDAY, MAY 5, 2007

LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, MAY 3, 2007

ORDERED BY: RANDI JOHL
CITY CLERK


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

DANA CHAPMAN
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS Faxed to the Sentinel at 369-1084 at 4:05pm (time) on 5/3/07 (date) 2 (pages)
Phoned to confirm receipt of all pages at _____ (time) _____ JLT _____ DRC _____ JMP (initials)



DECLARATION OF POSTING

PUBLIC HEARING NOTICE TO CONSIDER ADOPTING RESOLUTION ADJUSTING CONSUMER PRICE INDEX-BASED WATER AND WASTEWATER RATES

On Friday, May 4, 2007, in the City of Lodi, San Joaquin County, California, a Public Hearing Notice to consider adopting resolution adjusting Consumer Price Index-based water and wastewater rates (attached and marked as Exhibit A) was posted at the following locations:


Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 4, 2007, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

DANA R. CHAPMAN
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: June 6, 2007

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl,
City Clerk
Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, June 6, 2007**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) Consider adopting resolution adjusting Consumer Price Index-based water and wastewater rates

Information regarding this item may be obtained in the Public Works Department, 221 West Pine Street, Lodi, (209) 333-6706. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.


If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By ⁻⁴ _____ of the Lodi City Council:


Randi Johl
City Clerk

Dated: May 2, 2007

Approved as to form:


D. Stephen Schwabauer
City Attorney